

LETTER OF INTENT (LOI)

Date: 22/04/2022

Ref. No: 2022FTC&MX_Rev3.

To: **END SELLER**

We, **FREEDOM Trading Company, S.L.**, we represent the potential buyer, who needs **COPPER CATHODE** acting with full authority and corporate legal responsibility, we confirm that we are willing to enter into a contractual agreement to buy the following product under the established terms and conditions following.

The purpose of this instrument is to formalize the Purchase Intention by **FREEDOM Trading Company, S.L.** to negotiate the terms and conditions of a possible execution of the Agreement.

This Letter of Intent is not considered binding to create any legal obligation for either party, but rather, is intended to facilitate negotiations on a possible execution of the Agreement. The Parties agree that the negotiation of the Agreement will be governed by the following terms and conditions:

Products	COOPER CATHODES 99,97%Cu min. non-LME
Origin	DRC
Loading Port	CEVA Logistics Bonded Warehouse Durban, South Africa
Incoterms	DAP
Price	\$5,500 Mt.
Quantity	3,000 MT (Three thousand metric tons) Trial order and then 10,000. MT. (Ten thousand metric tonnes) x 12 month.
Annual Quantity	123,000.00 Mt. (one hundred and twenty-three thousand metric tonnes)
Delivery	As per DAP Delivery Schedule, partial shipment allowed
Payment	100% DLC NON-TRANSFER at sight to the port of discharge.
Testing	SGS or BV or CIQ or Similar

SPECIFICATIONS:

Copper Cu : 99.97% Min.
 Silica Si : 0.3ppm Max.
 Cobalt Co : 0.2ppm Max.
 Bismuth Bi : 0.1ppm Max.
 Lead Pb : 0.2ppm Max.
 Tellurium Te : 0.05ppm Max.
 Iron Fe : 2ppm Max.
 Silver Ag : 10ppm Max.
 Aluminum Al : 0.5ppm Max.
 Selenium Se : 0.3ppm Max.
 Manganese Mn : 0.1ppm Max.
 Sulphur S : 4ppm Max.
 Nickel Ni : 0.2ppm Max.
 Magnesium MG : 0.4ppm Max.
 Antimony Sb : 0.1ppm Max.
 Oxygen O2 : 0
 Arsenic AS : 0.1ppm Max.



If the Cathodes do not comply with Analysis report, Buyer can reject the goods with copper purity below 99,97%

Notes for ASTM B115-10, the sum of the impurities, specified in the tablet other than oxygen smaller than 0.0065

Procedures:

Our procedures cannot be discussed or disputed as part of our purchases, all means of verification and in particular control by independent control bodies is mandatory.

- 1) Upon receiving Buyer's LOI. Seller issues Full Corporate Offer.
- 2) Buyer confirms FCO by counter endorsement.
- 3) Seller issues SPA for Buyer's perusal. complementary information, and possible amendments.
- 4) Both parties countersign and seal the SPA.
- 5) Seller issues commercial invoice for countersigning by the buyer.
- 6) Seller provides proof of product :
 - a. Proof of past performance (BL, INSPECTION REPORT) of previous successful copper cathodes shipment.
 - b. Video and pictures with Buyer's name and date
 - c. Invitation to visit Seller's warehouse
- 7) Both parties agree and validate the final draft LC.

- 8) Buyer issues 100% DLC for total monetary value of respective shipment within 10 banking days of signing of SPA. Followed by transmission of SWIFT copy to Seller/Seller's Bank, and Seller issues a guaranty 2%PB for the DLC value.
- 9) Seller commences shipping logistics within 10 days of confirming the DLC via swift.
- 10) Seller, upon completion of loading, informs Buyer by electronic transmission of documents relative to the shipment within 5-10 days.
- 11) Upon arrival at destination port. an additional inspection and issue an inspection report confirming all goods' specifications are according to the SPA. Any cost related to inspection at destination port shall be borne by the Buyer.
- 12) Payment is released. according to the terms of the LC.

Payment:

100% Irrevocable Documentary Letter of Credit (DLC) at sight released to port of discharge.

Documentation to provide for the BW:

- a. Mining Title or exploitation permit issued by Ministry of Mines of the producer
- b. Name of the producer of the copper
- c. Export License
- d. Valid Tax Certificate
- e. A valid Import/Export certificate
- f. Commercial invoice
- g. Letter of release of goods from Producer to Seller
- h. NIF Number (Company Customs Registration number)
- i. Incoterms & Contract tonnages
- j. Name of transporter delivering the goods

Inspection:

SGS inspection at port of loading at seller's expense.

SGS Inspection at discharge port at buyer's expense.

Goods will be loaded on board of vessel only if SGS inspection is done and passed. The SGS report will be one of the documents for DLC negotiation.

Performance Bond:

2%

Bank information:

Not yet defined.

We look forward to your correspondence, confirmed offer and procedures as we are ready, willing and able to transact immediately.

Validity: this LOI is valid until Friday 6th of May 2022, 5:00 pm (GMT+1).



Buyer's signature & seal
Jesús Pagador González
CEO

Seller's Acceptance, signature & seal